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Washington State
Employment Security Department
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the Employment and
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Washington Labor Market

Volume 10, Number 1 January 1986

HIGHLIGHTS

Seasonal Factors Trim Job Total

Total employment in Washington State slipped 11,300 between November and December. Snow and freezing weather throughout the state reduced the number of jobs in agriculture, construction, logging and other outdoor activities. Additional job losses occurred at food processing plants, which were operating near their seasonal lows, and in government. Government civilian payrolls were lower because of seasonal cutbacks in outdoor work (forests, streets, right-of-way maintenance, etc.) and temporary reductions at colleges which were between fall and winter terms.

	Dec. 1985* (Prel.)	Nov. 1985* (Rev.)	Dec. 1984
Civilian Labor Force	2,105,800	2,110,700	2,056,200
Total Employment	1,929,500	1,940,800	1,855,400
Total Unemployment	176,300	169,900	200,800
State Unemployment Rate	8.4	8.0	9.8
National Civilian Unemployment Rate	6.7	6.7	7.0

*These data represent alternative estimates of labor force conditions developed by the State Employment Security Department. They are more comparable with data released in previous years than are the official Bureau of Labor Statistics estimates developed for federal program purposes. (Data in this table are not seasonally adjusted.)

November-December job losses, however, were cushioned by the hiring of thousands of temporary holiday sales workers and an expansion at ski resorts, one of the few industries to benefit from winter weather.

State Economy Strong and Growing

An over the year comparison of total employment combined with trends in the seasonally adjusted employment series for the state paints a different picture: employment in the state has been expanding briskly. Between December 1984 and December 1985, total employment in the state rose 74,100. Major areas of growth were in retail trade (up 10,700) and services (up 17,900), but the base for the expansion in these secondary industries was in aerospace (up 8,300) and construction (up 5,200) with an added boost from fabricated metals (up 900), machinery (up 800) and chemicals (up 1,000). And while recent trends in unadjusted employment levels show employment declining because of the loss of seasonal jobs, the seasonally adjusted employment series show that the expansion in employment is continuing. After seasonal adjustment, total employment in Washington State jumped nearly 35,000 from September through December.

In January, total employment will fall sharply from December because of the termination of thousands of holiday sales workers in retail trade and further cutbacks in outdoor industries. These reductions will only mask the underlying growth in the state's economy, however. Growth can be expected to continue for a number of reasons. Chief among these are a further expansion in aerospace, a decline in the dollar and lower oil prices.

Lower Oil Prices Are Good News For State Economy

The drop in oil prices may provide a decided boost for the state and national economy as lower prices work their way down to final users. Crude oil prices on the spot market dropped over 50 percent since late last year, and some analysts expect a sizable drop in the price of refined products by this spring. If so, consumers will have more money to purchase other goods which will benefit a host of industries. Energy prices will also be lower for industry and that will push profits up without price increases. In turn, this will slow inflation and lower interest rates, which will give the economy a further lift. The national budget deficit should be smaller; tax revenues will rise because of an accelerating economy, and interest payments on the federal debt will be lower. The foreign trade deficit will decline, too, as the cost of the oil we import falls. In addition, lower oil prices will improve the economies of our trading partners in Asia and Western Europe which will enable them to buy more of our goods and services.

Declining oil prices will have some negative effects, too. Adverse consequences will include less trade with oil exporting nations and Alaska. The latter is no small matter in Washington State. As reported in the last issue of the Washington Labor Market, the jobs of approximately 2,000 workers in Tacoma, building oil-field modules for Alaska, will end this year. Because of declining oil prices, oil companies are curtailing exploration and recovery projects in Alaska. Overall, however, lower oil prices will stimulate the economy and boost employment substantially.

Unemployment Up Less Than Expected

Seasonal job losses over the month caused unemployment in Washington State to increase from 169,900 and 8.0 percent of the labor force in November to 176,300 and 8.4 percent in December. The increase, however, was slightly less than usual for this time of the year and the seasonally adjusted rate edged down one-tenth point to 8.0 percent in December. The December adjusted rate was the lowest since early 1980.

Unemployment Increases More in Eastern Washington

Eastern Washington experienced the largest increase in unemployment between November and December with the overall unemployment rate east of the Cascades increasing from 10.4 to 11.4 percent (unadjusted). In western Washington the rate edged up from 7.4 to 7.5 percent. Weather conditions were more severe in eastern than western Washington this December, and most added unemployment resulted from less activity in agriculture and construction, which are both strongly influenced by weather conditions. A seasonal drop in food processing was also a major factor in the December increase in unemployment; this industry is disproportionately represented in eastern counties. Typical of eastern Washington counties which are highly dependent on agriculture and the related food processing industry were Yakima and Walla Walla. In Yakima County the jobless rate jumped from 14.7 to 16.5 percent between November and December, while the rate in Walla Walla County increased from 8.9 to 10.2 percent. In the more diversified Spokane Metropolitan Area, the unemployment rate rose from 8.0 to 8.5 percent over the month to nearly match the statewide increase.

Unemployment levels changed little in western Washington metropolitan areas but rose sharply in some counties highly dependent on the lumber industry. The rate in the Seattle Metropolitan Area increased from 6.3 to 6.4 percent, while jobless rates in the Tacoma (7.9) and Olympia (7.8) metropolitan areas were unchanged from November. The effect of winter weather on the logging and lumber industry, by contrast, boosted the jobless rate in Clallam County from 11.8 percent in November to 13.4 percent in December. Unemployment rates also moved sharply higher in Skamania (18.2 to 22.1) and Wahkiakum (20.8 to 23.8) counties over the month.

Unemployment Down Sharply Over the Year

Total unemployment in the state dropped 24,500 over the year as employment growth (74,100) was more than sufficient to provide jobs for new and re-entrants to the labor force. Most of the reduction in unemployment was in western Washington because of the expansion in aerospace jobs. The unemployment rate on the west side fell from 9.1 to 7.5 percent over the year. In eastern Washington the unemployment rate fell more moderately, from 12.0 to 11.4 percent.

Manufacturing Industries

Seasonal factors reduced employment in manufacturing 2,100 between November and December. The largest reductions were in lumber - wood products (down 1,400) and food products (down 1,700). The losses were partially offset by job increases in machinery (up 700), aerospace (up 200) and other transportation equipment (up 500).

Boeing to Hire 1,500 New Workers

The Boeing Company announced in January that it expects to boost its workforce in the Puget Sound area by 1,500 during the first six months of 1986. No forecast was provided for the last half of the year. In 1985, the company predicted that their employment in the state would rise 5,000, but the actual increase was nearly twice as great. Most of the growth in the current year is expected to result from the increasing production of jet airliners. Last year set a record for aircraft orders; orders were received for 390 jet aircraft worth approximately $15 billion, nearly triple 1984 totals. Miliary business is expected to drop slightly in 1986 because of cutbacks in defense spending.

The firm's total backlog at the end of 1985 was $24.7 billion with 75 percent of the orders in commercial programs. Analysts say the backlog alone is enough to keep the Renton and Everett Boeing facilities busy for at least two years.

Space Shuttle Diaster May Slow Space Business

While the outlook for commercial jet airliner sales is exceptionally favorable, work on space contracts may be delayed until investigators find out what caused the explosion which destroyed the space shuttle, Challenger, in late January. About 250 people are working on Boeing's bid to be one of the four prime contractors for the $8 billion manned space station scheduled for launch in the 1990's. Boeing is also working on several other space programs which may be delayed. These include a rocket vehicle to launch a satellite from a space shuttle, a space telescope and dozens of study contracts for future space missions. The Strategic Defense Initiative (Star Wars) program could also be delayed by the shuttle explosion as well as by federal budget considerations. Boeing has $750 million in "Star Wars" contracts.

Lumber Industry Jobs At Record Low

Employment in lumber and wood products, the state's second largest manufacturing industry, averaged 37,300 in 1985. This was the industry's lowest employment level in the state's post World War II history. The 1985 average fell 2,100 below the 1982 recession level and was 17,800 lower than recorded in its peak year of 1978.

Many analysts now feel the job level in lumber has reached bottom, but even so, the outlook is not encouraging. One of the major problems in the industry is the loss of

markets to Canadian producers because of the decline in the value of the Canadian dollar in terms of the U.S. dollar. The value of the Canadian and U.S. dollars were nearly equal in the mid-1970's but now the Canadian dollar is worth only about 70 cents in U.S. funds. This makes Canadian lumber less expensive to buy than lumber from U.S. mills.

While the U.S. dollar has declined in value in relationship to most other foreign currency in recent months, it has actually appreciated in terms of the Canadian dollar. In early February, the Canadian dollar fell below 70 U.S. cents, down six percent since September. Analysts attribute the decline in the value of Canadian currency to that government's budget deficit which is nearly twice the deficit in the U.S. on a per capita basis.

Lower Interest Rates Will Help Lumber Industry

One encouraging development for the industry is the downward trend in interest rates which may decline even further this year because of falling oil prices. The lower rates plus expanding job opportunities will enable more families to purchase new homes, thus, increasing the demand for lumber products. Even with an increase in housing starts, however, the growth in lumber industry jobs will be limited. Canada will still be a major competitor, and domestic mills that remain in production are highly automated.

Workers Added In Machinery and Shipbuilding

In other manufacturing industries, nonelectrical machinery added 600 workers in December, and other transportation equipment employment moved up 500. Neither change was particularly significant, however. About half of the gain in nonelectrical machinery was at a firm which will cut back later this year. The increase in other transportation equipment occurred in the volatile shipbuilding segment of the industry. Many industry analysts feel that employment in shipbuilding has bottomed out, but few see any significant expansion in the near future. Tacoma Boatbuilding Company, once the largest private employer in Pierce County, continues to operate under federal bankruptcy law while it prepares a reorganization plan. The plan should be ready in late April.

New Employer For Bothell Area

Matsushita Avionics Systems Division of Panasonic, a Japanese electronics company, will move its headquarters sales and service office to the Bothell area to be near The Boeing Company. The division's principal products are in-flight entertainment and passenger communication systems for jet airliners. The firm expects to hire more than 100 employees in the next two years.

New Printing Plant For Seattle?

The Seattle area is one of eleven areas being considered by the U.S. Treasury Department for a printing plant to produce postage stamps, currency and government documents. The plant may employ up to 200 workers. Finding a site near the Seattle-Tacoma airport may be the key to encouraging the Treasury Department to build the plant in the Seattle area. Proximity to a major airport is a critical factor in deciding where to locate the plant, according to a Treasury spokesman.

Nonmanufacturing Industries

Major changes in the nonmanufacturing industries between November and December were seasonal losses of 3,100 in government and 2,900 in construction which were partially offset by seasonal upswings in the trade and service industries.

Holidays Create Thousands of Jobs

Retail trade employment rose 3,200 in December as stores continued to add temporary sales workers to help serve holiday shoppers. The holiday jobs more than offset losses at building material and hardware stores which cut back as usual in December. Lower employment was also reported by gasoline service stations and restaurants because of less tourist business. On the wholesale level, employment fell 500 in December because of a normal reduction at fruit and vegetable wholesale houses.

Retail Sales Up

Retail sales around the nation rose two percent in December (seasonally adjusted) to post their sharpest monthly gain in eleven years. The gain in December followed an increase of only 0.7 percent in November and a loss of 1.3 percent in October. The December increase was partially due to a 5.7 percent gain in automobile sales, but other sales also posted healthy gains.

Skiing Boosts Services Jobs

Ski resorts were one of the few industries to benefit from winter weather. The expansion at businesses serving skiers was largely credited with pushing employment in the services group up 1,300 in December.

Service Employment Expanding Rapidly

The services group continued to be the fastest growing industry in the state with employment up 17,900 over the year. The service industry includes a wide range of businesses including hotels-motels, personal services (barbers, laundries, etc.), business services (data processing, temporary help agencies, janitorial services research firms, testing laboratories, advertising agencies, etc.), medical services, private education; and legal, accounting and agricultural services. The major expansions over the past 12 months in services were credited to business and medical services. Business services alone expanded 6,500, while medical service employment rose 3,700. Most of the gain in medical services was at the offices of physicians, dentists and other health practitioners. Hospital employment was down over the year, reversing several years of expansion.

Tighter federal control over Medicare payments to hosptials is the apparent reason. Medicare now pays a flat fee for each type of illness regardless of complications, which encourages hospitals to discharge some Medicare patients earlier than they would have before. Review committees determine whether Medicare patients should have been admitted and how long they should have been treated in the hospital.

December Weather Limits Construction Jobs

Construction employment slipped 2,900 between November and December as snow and extremely cold weather held outdoor projects to a minimum. The loss was no greater than usual for this time of the year, however, and construction employment was up 5,200 over the year in December. According to data on construction published by F.W. Dodge, the value of construction projects for which permits were issued in Washington State in 1985 totaled $4.45 billion, up 19 percent from 1984. The value for nonresidential and residential buildings in 1985 was about $1.8 billion each, while the value of nonbuilding projects (streets, highways, bridges, sewers, etc.) totaled about $843 million.

Bids Out For Madigan Hospital

Bids are being solicited for the construction phase of the new $338 million Madigan Army Medical Center near Tacoma. The new hospital will be one of the largest federal construction projects ever in Pierce County. Construction is scheduled to being in July, with completion planned for November 1990.

Government Payrolls Drop Seasonally

Government employment also contracted seasonally in December with civilian payrolls falling 3,100 because of cutbacks in outdoor work (forests, street repair, right-of-way maintenance, etc.) and temporary reductions at colleges, which were between fall and winter terms.

Defense Cutbacks Could Cost Jobs In Washington State

Seasonal workers will eventually be recalled in government as well as in other industries in Washington State. A more significant development which may effect the state is the need to reduce the federal deficit. This is likely to result in reductions in defense as well as nondefense programs. Approximately $7 to $8 billion dollars of defense-related spending goes into Washington State's economy annually. Significant reductions in the defense budget would likely result in cutbacks at local military bases and in defense contracts awarded to The Boeing Company and other defense contractors in the state.

National Context

Economic Indicators Point to Further Growth

The National Index of Leading Economic Indicators jumped 0.9 percent in December to post its eighth consecutive monthly increase and its largest since January 1985. The upward trend in the index and its strong increase in December suggest the economy will continue to advance for at least several more months.

The index, which is based on 11 measures of economic activity, rose in December largely because of increases in building permits, stock prices and the average work-week. Other indicators pointing to further growth in the economy included orders for plant and equipment, the money supply, prices of sensitive materials and companies receiving slower deliveries from suppliers.

Trade Deficit Shows No Improvement Yet

Dampening the economic outlook somewhat was a further increase in the U.S. trade deficit. Imports exceeded exports in December alone by $17.4 billion, indicating U.S. manufacturers are still being outsold by foreign competitors. Although the dollar's value, in relation to foreign currencies, has dropped 20 percent since last February, many analysts believe it will be midyear before it will help narrow the trade deficit. A drop in value for the dollar, of course, lowers the cost of U.S. goods abroad and raises the cost of foreign goods in the U.S.

Consumers Optimistic

According to the University of Michigan's Institute for Social Research, consumer confidence remains high and is likely to remain a positive factor in the economy in 1986. With the national job market strong, inflation low, and declining interest rates, consumers are likely to continue spending briskly. And with their spending accounting for over two-thirds of economic activity, the current economic expansion should continue for some time yet. More pessimistic economists, however, are pointing to the fact that Americans now have record debt burdens which may cause them to slow their spending pace in coming months.

Housing Outlook Bright

The outlook in the home building industry improved in December. National housing starts increased from a seasonally adjusted annual rate of 1,566,000 units in November to 1,840,00 in December. Moreover, new building permits issued in December outnumbered starts for the second consecutive month which indicates further gains in housing starts are likely. The average effective mortgage rate at the end of December, 10.87 percent, was down nearly two points over the year. As a result, more families can now afford to buy new homes.

CONSUMER PRICE INDEX

(All Items, Urban Consumers, 1967=100)

	INDEXES			PERCENT CHANGE Year Ending	
	Dec. 1985	Nov. 1985	Dec. 1984	Dec. 1985	Nov. 1985
U.S. City Average	327.4	326.6	315.5	+3.8	+3.6
Seattle-Everett	N/A	324.0	N/A	N/A	+1.9

NONAGRICULTURAL WAGE AND SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/
(In Thousands)

NOT SEASONALLY ADJUSTED

	Dec. 1985 (Prel.)	Nov. 1985 (Rev.)	Dec. 1984 (Rev.) 4/	Nov. 1984 (Rev.) 4/	Change Nov. 85 to Dec. 85	Change Dec. 84 to Dec. 85
TOTAL NONAG. WAGE AND SALARY	1,711.3	1,715.8	1,658.9	1,665.6	-4.5	+52.4
TOTAL MANUFACTURING	290.4	292.5	284.2	288.8	-2.1	+6.2
Durable Goods	203.4	203.8	198.4	201.1	-0.4	+5.0
Lumber & Wood Products	35.3	36.7	37.6	39.2	-1.4	-2.3
Furniture & Fixtures	3.4	3.4	3.4	3.3	0.0	0.0
Stone, Clay & Glass Products	6.1	6.3	6.3	6.7	-0.2	-0.2
Primary Metals Industries	11.7	11.7	12.8	12.9	0.0	-1.1
Aluminum Prod. & Processing	7.7	7.6	8.4	8.4	+0.1	-0.7
Fabricated Metal Products	10.4	10.7	9.5	10.0	-0.3	+0.9
Machinery	28.6	27.9	27.8	27.9	+0.7	+0.8
Machinery (exc. electrical)	16.7	16.1 3/	15.9	16.0	+0.6	+0.8
Electrical & Electronic Equip.	11.9	11.8	11.9	11.9	+0.1	0.0
Transportation Equipment	93.1	92.4	86.0	86.1	+0.7	+7.1
Aerospace	80.0	79.8	71.7	71.3	+0.2	+8.3
Other Transportation Equip.	13.1	12.6	14.3	14.8	+0.5	-1.2
Instruments & Related Prod.	10.2	10.2	10.4	10.3	0.0	-0.2
Misc. Manufacturing Indus.	4.6	4.5	4.6	4.7	+0.1	0.0
Nondurable Goods	87.0	88.7	85.8	87.7	-1.7	+1.2
Food & Kindred Products	28.3	30.0	28.5	30.4	-1.7	-0.2
Canned & Preserved Foods	9.4	11.2	9.0	10.7	-1.8	+0.4
Apparel & Other Text. Products	6.5	6.5	6.4	6.4	0.0	+0.1
Paper & Allied Products	15.9	15.8	16.1	16.0	+0.1	-0.2
Printing & Publishing	17.2	17.3	17.2	17.2	-0.1	0.0
Chemicals & Allied Products	11.7	11.6	10.7	10.7	+0.1	+1.0
Other Nondurable Goods 2/	7.4	7.5	6.9	7.0	-0.1	+0.5
MINING & QUARRYING	2.6	2.7	2.6	2.7	-0.1	0.0
CONSTRUCTION	80.7	83.6	75.5	78.2	-2.9	+5.2
TRANSP. & PUBLIC UTILITIES	92.1	92.6	90.7	90.9	-0.5	+1.4
WHOLESALE & RETAIL TRADE	430.0	427.3	416.5	412.2	+2.7	+13.5
Wholesale Trade	105.4	105.9	102.6	103.4	-0.5	+2.8
Retail Trade	324.6	321.4	313.9	308.8	+3.2	+10.7
FINANCE, INS. & REAL ESTATE	98.4	98.2	94.9	94.7	+0.2	+3.5
SERVICES	372.3	371.0	354.4	354.0	+1.3	+17.9
GOVERNMENT	344.8	347.9	340.1	344.1	-3.1	+4.7
Federal	69.2	69.7	69.4	69.5	-0.5	-0.2
State & Local	275.6	278.2	270.7	274.6	-2.6	+4.9
Education	148.1	149.8	148.1	150.6	-1.7	0.0
Workers in Labor Management Disputes	0.0	0.1	0.0	0.0	-0.1	0.0

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastics products, petroleum and refining and related products, and leather products.

3/ Excludes workers involved in labor-management disputes.

4/ Revised in May 1985 due to corrections involving Education. The 1983 and 1984 annual tables have been revised and are available.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

Date: January 30, 1986
Benchmark: 1984

(Not Seasonally Adjusted)

	December 1985 Preliminary 1/				November 1985 Revised 1/				December 1984 Revised			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State Total	2,105,800	1,929,500	176,300	8.4	2,110,700	1,940,800	169,900	8.0	2,056,200	1,855,400	200,800	9.8
Bellingham MSA	51,600	46,900	4,700	9.1	52,800	48,100	4,700	8.9	48,900	43,100	5,800	11.9
Bremerton MSA	66,100	62,200	3,900	5.9	65,800	61,800	4,000	6.1	65,300	60,600	4,700	7.2
Olympia MSA	63,700	58,700	5,000	7.8	63,700	58,700	5,000	7.8	60,200	54,300	5,900	9.8
Seattle PMSA	958,700	897,700	61,000	6.4	956,200	896,400	59,800	6.3	930,600	860,100	70,500	7.6
Spokane MSA	162,200	148,400	13,800	8.5	162,900	149,900	13,000	8.0	160,100	145,800	14,300	8.9
Tacoma PMSA	204,900	188,700	16,200	7.9	205,300	189,000	16,300	7.9	196,100	176,200	19,900	10.1
Tri-Cities MSA 2/	70,200	62,900	7,300	10.4	70,700	63,800	6,900	9.8	69,200	60,200	9,000	13.0
Vancouver PMSA	94,600	86,200	8,400	8.9	95,200	86,900	8,300	8.7	92,300	83,400	8,900	9.6
Yakima MSA	80,000	66,800	13,200	16.5	80,500	68,700	11,800	14.7	81,400	68,900	12,500	15.4
Adams	6,840	5,850	990	14.5	6,850	5,960	890	13.0	6,000	5,170	830	13.8
Asotin	8,570	7,690	880	10.3	8,630	7,760	870	10.1	8,140	7,370	770	9.5
Clallam	19,250	16,680	2,570	13.4	18,970	16,740	2,230	11.8	19,670	16,860	2,810	14.3
Columbia	1,900	1,530	370	19.5	1,820	1,490	330	18.1	1,510	1,270	240	15.9
Cowlitz	32,400	28,010	4,390	13.5	32,280	28,180	4,100	12.7	32,800	28,560	4,240	12.9
Ferry	2,610	2,270	340	13.0	2,580	2,270	310	12.0	2,420	2,050	370	15.3
Garfield	1,140	990	150	13.2	1,120	1,000	120	10.7	940	860	80	8.5
Grant	22,160	19,390	2,770	12.5	22,080	19,570	2,510	11.4	20,550	17,420	3,130	15.2
Grays Harbor	27,570	24,220	3,350	12.2	27,800	24,530	3,270	11.8	29,280	24,490	4,790	16.4
Island	15,700	14,650	1,050	6.7	15,910	14,870	1,040	6.5	15,310	13,900	1,410	9.2
Jefferson	6,360	5,780	580	9.1	6,560	5,990	570	8.7	6,540	5,730	810	12.4
Kittitas	10,870	9,510	1,360	12.5	10,870	9,690	1,180	10.9	10,670	9,230	1,440	13.5
Klickitat	7,010	5,680	1,330	19.0	7,030	5,950	1,080	15.4	6,900	5,720	1,180	17.1
Lewis	24,410	21,160	3,250	13.3	24,250	21,050	3,200	13.2	23,670	19,580	4,090	17.3
Lincoln	4,080	3,750	330	8.1	4,080	3,770	310	7.6	3,670	3,420	250	6.8
Mason	11,650	10,590	1,060	9.1	11,920	10,950	970	8.1	10,940	9,640	1,300	11.9
Okanogan	13,570	11,150	2,420	17.8	13,880	11,800	2,080	15.0	13,700	10,870	2,830	20.7
Pacific	6,590	5,710	880	13.4	6,800	5,750	1,050	15.4	7,180	5,340	1,840	25.6
Pend Oreille	3,850	3,240	610	15.8	3,800	3,190	610	16.1	4,100	3,400	700	17.1
San Juan	3,600	3,250	350	9.7	3,790	3,460	330	8.7	3,710	3,380	330	8.9
Skagit	31,100	27,220	3,880	12.5	31,840	28,060	3,780	11.9	32,240	27,020	5,220	16.2
Skamania	2,580	2,010	570	22.1	2,640	2,160	480	18.2	2,640	1,980	660	25.0
Stevens	11,000	9,320	1,680	15.3	11,190	9,560	1,630	14.6	11,270	9,490	1,780	15.8
Wahkiakum	1,220	930	290	23.8	1,250	990	260	20.8	1,070	860	210	19.6
Walla Walla	25,550	22,940	2,610	10.2	25,900	23,590	2,310	8.9	24,290	21,670	2,620	10.8
Wenatchee Labor Area 3/	36,210	31,940	4,270	11.8	37,210	33,210	4,000	10.7	37,380	32,626	4,760	12.7
Whitman	16,130	15,550	580	3.6	16,580	16,000	580	3.5	15,560	14,970	590	3.8

1/ Estimates provided here are for use as an economic time-series. Official Bureau of Labor Statistics' estimates, which must be used for Federal program purposes, are available upon request.

2/ The Tri-Cities MSA encompasses Benton and Franklin Counties.

3/ The Wenatchee Labor Area encompasses Chelan and Douglas counties.

NOTE: Detail may not add due to rounding.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

WASHINGTON STATE LABOR FORCE AND EMPLOYMENT ESTIMATES FOR FEDERAL PROGRAM PURPOSES

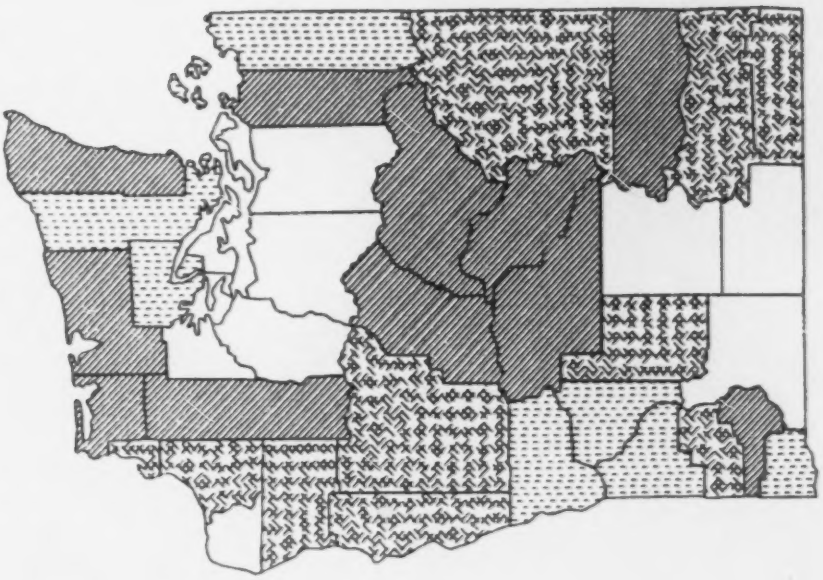
January 28, 1986
Benchmark 1984

(Not Seasonally Adjusted)

	December 1985 Preliminary 1/				November 1985 Revised 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State Total	2,103,700	1,936,200	167,500	8.0	2,097,300	1,933,800	163,500	7.8
Bellingham MSA	51,600	47,100	4,500	8.7	52,400	47,900	4,500	8.6
Bremerton MSA	66,200	62,500	3,700	5.6	65,400	61,600	3,800	5.8
Olympia MSA	63,700	58,900	4,800	7.5	63,400	58,500	4,900	7.7
Seattle PMSA	958,600	900,700	57,900	6.0	950,700	893,200	57,500	6.0
King County	752,100	708,600	43,500	5.8	746,500	702,600	43,900	5.9
Snohomish County	206,600	192,200	14,400	7.0	204,200	190,600	13,600	6.7
Spokane MSA	162,100	149,000	13,100	8.1	161,900	149,400	12,500	7.7
Tacoma PMSA	204,700	189,400	15,300	7.5	204,000	188,300	15,700	7.7
Tri-Cities MSA 2/	70,100	63,200	6,900	9.8	70,200	63,500	6,700	9.5
Vancouver PMSA	94,500	86,500	8,000	8.5	94,500	86,500	8,000	8.5
Yakima MSA	79,500	67,000	12,500	15.7	79,800	68,400	11,400	14.3
Adams	6,810	5,870	940	13.8	6,800	5,940	860	12.6
Asotin	8,540	7,710	830	9.7	8,570	7,730	840	9.8
Clallam	19,180	16,740	2,440	12.7	18,820	16,680	2,140	11.4
Columbia	1,890	1,540	350	18.5	1,800	1,490	310	17.2
Cowlitz	32,270	28,100	4,170	12.9	32,020	28,080	3,940	12.3
Ferry	2,600	2,280	320	12.3	2,560	2,260	300	11.7
Garfield	1,130	990	140	12.4	1,100	990	110	10.0
Grant	22,090	19,460	2,630	11.9	21,920	19,500	2,420	11.0
Grays Harbor	27,480	24,300	3,180	11.6	27,580	24,440	3,140	11.4
Island	15,700	14,700	1,000	6.4	15,810	14,810	1,000	6.3
Jefferson	6,350	5,800	550	8.7	6,520	5,970	550	8.4
Kittitas	10,830	9,540	1,290	11.9	10,800	9,660	1,140	10.6
Klickitat	6,960	5,700	1,260	18.1	6,970	5,930	1,040	14.9
Lewis	24,320	21,230	3,090	12.7	24,050	20,970	3,080	12.8
Lincoln	4,070	3,760	310	7.6	4,050	3,750	300	7.4
Mason	11,640	10,630	1,010	8.7	11,850	10,910	940	7.9
Okanogan	13,480	11,180	2,300	17.1	13,760	11,760	2,000	14.5
Pacific	6,570	5,730	840	12.8	6,740	5,730	1,010	15.0
Pend Oreille	3,820	3,250	570	14.9	3,770	3,180	590	15.6
San Juan	3,600	3,260	340	9.4	3,770	3,450	320	8.5
Skagit	31,010	27,320	3,690	11.9	31,580	27,950	3,630	11.5
Skamania	2,550	2,010	540	21.2	2,610	2,150	460	17.6
Stevens	10,940	9,350	1,590	14.5	11,100	9,530	1,570	14.1
Wahkiakum	1,200	930	270	22.5	1,240	990	250	20.2
Walla Walla	25,500	23,020	2,480	9.7	25,730	23,510	2,220	8.6
Wenatchee Labor Area 3/	36,110	32,050	4,060	11.2	36,940	33,090	3,850	10.4
Whitman	16,150	15,600	550	3.4	16,500	15,940	560	3.4

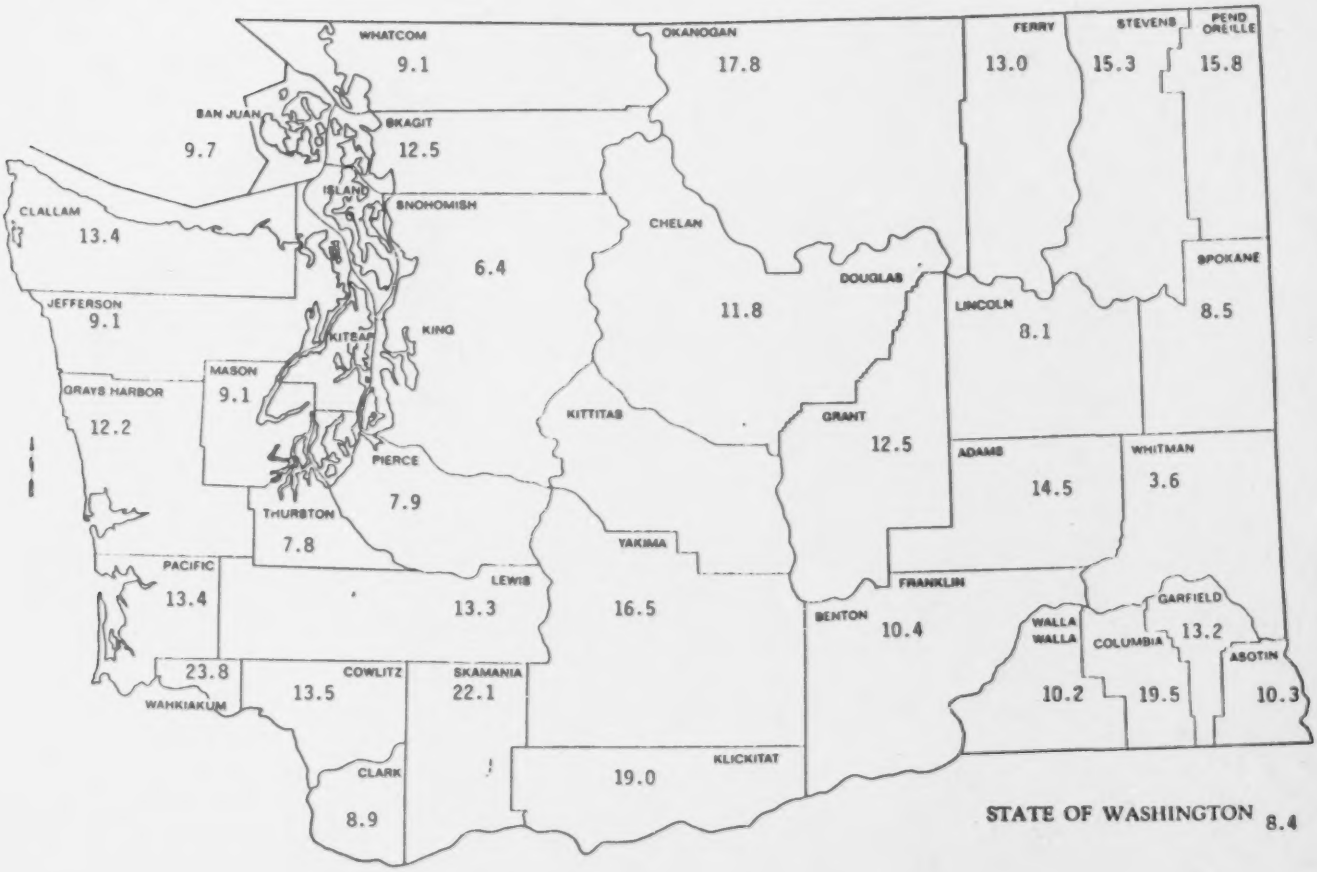
1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. Data are not comparable with estimates made in previous years.
2/ The Tri-Cities MSA encompasses Benton and Franklin counties.
3/ The Wenatchee Labor Area encompasses Chelan and Douglas counties.

Note: Detail may not add due to rounding.



DECEMBER
UNEMPLOYMENT
RATES

OVER	13.4
11.8 -	13.4
9.0 -	11.7
UNDER	9.0



STATE OF WASHINGTON 8.4

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	DEC. 1985 Prod. or Nonsup. Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		DEC 1985	NOV 1985	DEC 1984	DEC 1985	NOV 1985	DEC 1984	DEC 1985	NOV 1985	DEC 1984
TOTAL MANUFACTURING INDUSTRIES *	175,900	$474.78	$452.79	$459.43	40.1	38.7	39.1	$11.84	$11.70	$11.75
SELECTED MANUFACTURING INDUSTRIES										
Lumber & wood products.....	31,800	437.75	415.15	399.09	37.9	36.1	35.1	11.55	11.50	11.37
Primary metal industries.....	9,100	547.92	527.40	546.48	43.1	41.3	39.4	12.62	12.77	13.87
Fabricated metal products.....	8,000	465.68	434.72	450.82	40.6	38.1	39.2	11.47	11.41	11.50
Machinery.....	16,000	395.76	394.13	371.33	40.8	40.3	39.8	9.70	9.78	9.33
Food & kindred products.....	21,200	376.92	348.17	371.13	38.5	37.0	38.3	9.79	9.41	9.69
Chemicals & allied products...	5,200	587.25	582.58	560.58	40.5	42.4	42.5	14.50	13.74	13.19
SELECTED NONMANUFACTURING INDUSTRIES										
Construction.....	68,600	596.74	569.73	574.11	36.7	35.9	34.9	16.26	15.87	16.45
Wholesale and retail trade.... (excludes eating & drinking places)	269,900	329.93	317.72	321.82	35.4	33.8	35.6	9.32	9.40	9.04

* Average hourly earnings for all manufacturing production workers reported in this table do not fully reflect the official U. S. Bureau of Labor Statistics definition of "wages". While these data still constitute a valid economic indicator series, they should not be be used at this time for the negotiation of contracts whose monetary provisions may depend upon official U.S. Bureau of Labor Statistics hourly earnings data.